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November 14, 2003

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Room TWB-204
Washington, DC 20554

Re: Notice of Oral Ex Parte Communications, In the Matter of Review of the
Section 251 Unbundling Obligations of Incumbent Local Exchange
Carriers, CC Docket Nos. 01-338, 96-98 and 98-147

Dear Ms. Dortch:

Yesterday, Bob Quinn and the undersigned met with Commissioner Kevin Martin and Dan Gonzalez, his Legal Assistant, for the purpose of discussing AT&T's opposition to the Petition for Reconsideration and/or Clarification filed by BellSouth in the above-referenced proceeding. All comments made at the meeting were consistent with the attached materials.

In accordance with Commission rules, I am filing one electronic copy of this notice and request that you place it in the record of the above-referenced proceedings.

Sincerely,

A handwritten signature in black ink, appearing to be "JM" followed by a horizontal line.

Joan Marsh

cc: Dan Gonzalez

FTTP AND FTTC ARE NOT SERVICE EQUIVALENTS

NOT EQUIVALENT IN SCOPE

FTTP: As of early 2003, about 50 FTTH developments or trials were underway, with most being conducted by CLECs, Munis and small ICOs. North America accounted for roughly 50,000 FTTH subscribers with RBOCs serving ONLY 0.6% of that subscriber base.

FTTC: BellSouth has already deployed fiber deep into its network, and it alone currently has fiber to the curb passing approximately 1 Million homes. It now seeks to avoid all its UNE-L/UNE-P unbundling obligations for those 1 M (and growing) homes without even providing them with a true voice/data/video FTTC product.

NOT EQUIVALENT IN SPEED

FTTP: The FTTP specification incorporated into the 05/03 BST/SBC/VZ joint RFP calls for 622 Mbps delivered over one wavelength to 32 households and 870 Mhz of analog bandwidth for support up to 135 channels of TV programming.

FTTC: According to BST's ex parte, FTTC has service capabilities of around 100 Mbps. While this would support some level of video programming, BST is currently NOT offering video service to its FTTC homes passed. Nor will it offer broad fiber-based video offerings in the future as it just announced a long-term video partnership with DirecTV.

NOT EQUIVALENT IN DEPLOYMENT ARCHITECTURE

FTTP: FTTP, a solution pursued largely in greenfield/new builds, refers to bringing an optical fiber directly into the end-user's premises. Approx. 70% of the 1.8 million new housing units built each year are "greenfield" developments, or 1.26 million units. These are the most likely candidates for true FTTP services.

FTTC: FTTC may mean one of many things, including fiber to a pedestal, fiber to a cabinet, or fiber to an equipment vault -- all of which mean a fiber overbuild of already established/brownfield neighborhoods with fiber terminating hundreds of yards from the premises. This type of broad network overbuild is already underway in all the RBOC territories and has been being pursued in BST territory since 1999.

BellSouth needs no further alleged regulatory incentives to
deploy FTTC – it has been doing so since 1999

**BellSouth to Deploy Innovative New Fiber Technology for Delivering
Advanced Broadband Services to the Home**

Exclusive Agreement with Marconi Communications Enhances Commitment to High-Speed, Fiber-Based Network Facilities

For Immediate Release:

December 15, 1999

ATLANTA -- BellSouth today announced an agreement with Marconi plc, to deploy Marconi's advanced optical fiber interface equipment to deliver ATM (asynchronous transfer mode) based broadband services throughout its nine-state region. The equipment will be deployed in new housing developments and to enhance existing fiber-to-the-curb (FTTC) systems, enabling them to provide high-speed Internet access and entertainment services.

Under terms of the agreement, BellSouth will deploy Marconi's next-generation, "deep fiber" technology into its fiber optic distribution network. The Marconi equipment will allow the delivery of ATM-based broadband services to within 500 feet of the customer. ATM technology is a packet-switched technology using ATM switches and fiber optics to simultaneously transport voice, data, imaging and video data. According to Marconi, this deployment represents the largest commitment to date from a U.S. carrier to drive high-speed, fiber optic-based technology deep into its network.

"BellSouth has been in the forefront of fiber optic distribution since its decision in 1995 to deploy fiber to the curb technology as first choice in residential new construction," said Mike Parton, Marconi Communications chief executive officer. "There is no question that with this deployment, by the end of 2000, BellSouth will have the largest installed base in North America of broadband network equipment delivering voice, video and high-speed Internet connectivity deep into its network." "This agreement with Marconi builds on our mutual success deploying integrated fiber during 1999 and will accelerate delivery of fiber optic-based services, including high-speed Internet access and entertainment services, to our customers," said Dr. David Kettler, BellSouth Vice President - Science and Technology. "Not only will this new equipment allow us to meet our customers' demand for today's latest technology, it's another step in building an infrastructure that will accommodate future demands that haven't yet been formulated."

Fiber has been BellSouth's technology of choice for serving new housing developments since 1995. Currently, 95 percent of BellSouth customers in the company's top 30 markets and 85 percent of all customers are within 12,000 feet of fiber. Nearly 500,000 homes are now served by BellSouth fiber-to-the-curb systems. Of these, some 200,000 will have access to high-speed Internet and entertainment services provided by an integrated fiber in the loop architecture, which BellSouth began deploying in Atlanta and South Florida during 1999. Integrated fiber enables BellSouth to deliver ADSL (asymmetrical digital subscriber line) with Internet access speeds up to 1.5 Mbps (Megabits per second), 30 times faster than today's fastest

dial-up modems. Integrated fiber also enables BellSouth to deliver 70 channels of analog TV and 160 channels of digital entertainment in Atlanta and South Florida. BellSouth also markets wireless entertainment and cable TV services in Atlanta, Birmingham, Charleston, Daytona, Jacksonville, New Orleans and Orlando.

Programming is provided by *americast*®, a BellSouth partnership with Ameritech, GTE, Southern New England Telephone and the Walt Disney Company.

Marconi plc is one of the world's fastest growing communications and IT companies with a strong record of innovation and technological breakthroughs. It is a world leader in smart broadband optical networks and it supplies the key technologies for the New Public Network and the Internet. With 45,000 employees worldwide and sales in over 100 countries, it is headquartered in London and listed in the FTSE index.

BellSouth (NYSE: BLS) is a \$25 billion communications services company. It provides telecommunications, wireless communications, cable and digital TV, directory advertising and publishing, and Internet and data services to nearly 36 million customers in 20 countries worldwide. In the U. S., BellSouth provides telecommunications services in nine Southeastern states, including Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee. With its headquarters in Atlanta, BellSouth serves more than 24 million local telephone lines and provides local exchange and intraLATA long distance service over one of the most modern telecommunications networks in the world.

BST has no intention of using its FTTC fiber
to provide a full voice/data/video product --
it instead is partnering with DIRECTV

BellSouth® and DIRECTV® announce agreement to sell digital satellite television service as part of BellSouth Answers(sm) bundle

For Immediate Release:
August 27, 2003

Atlanta, GA and El Segundo, CA -- Making BellSouth Answers the most comprehensive bundle of services available in the marketplace, BellSouth and DIRECTV, Inc., announced today a strategic marketing alliance to offer BellSouth customers in residential homes, DIRECTV digital satellite television service in early 2004.

Today, BellSouth customers can make one call to order and receive one bill for all their communication services through BellSouth:

- High-speed DSL or dial-up Internet service;
- Local and long distance service with an array of calling features;
- Wireless; and
- Voicemail and e-mail services.

Starting early next year, BellSouth residential customers will be able to bundle DIRECTV with their other communications services at packaged, discounted savings each month. Through this agreement, the companies will deliver unsurpassed value, quality and convenience to their customers.

DIRECTV and BellSouth also announced immediate plans to begin exploring the integration of digital satellite and DSL technology, including options for enhanced networking solutions over the BellSouth fiber network.

"Combining BellSouth's comprehensive voice and data communications services, with DIRECTV's industry-leading video offerings, provides our customers with another compelling one-stop shop solution," said Duane Ackerman, BellSouth's Chairman and Chief Executive Officer.

"This alliance is an important extension of our distribution," said Eddy Hartenstein, Chairman and Chief Executive Officer, DIRECTV, Inc. "DIRECTV sees this strategic relationship as an important first step in the evolution of telecommunications and entertainment that will put us in a leading position against our competitors in this rapidly changing marketplace."

"We are not talking about a short term fix," said Bill Smith, BellSouth's Chief Product Development and Technology Officer. **"We are looking to a long-term business relationship with DIRECTV."**